

Division 3. Air Resources Board

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Chapter 13. Voluntary Accelerated Vehicle Retirement Enterprises

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Article 1. Voluntary Accelerated Light-Duty Vehicle Retirement Enterprises

**§ 2604. VAVR Enterprise Operator Requirements.**

(a) The enterprise operator shall either:

(1) be an auto dismantler, licensed according to the requirements of the California Vehicle Code and other business codes and the regulations of the Department of Motor Vehicles, for the purpose of vehicle disposal after purchase, or:

(2) have a binding agreement with a duly authorized auto dismantler, for the purpose of vehicle disposal after purchase;

(b) At least thirty (30) days prior to commencing operations as a voluntary accelerated vehicle retirement enterprise operator, the operator shall notify the local district, in writing, of the intent to conduct such operations;

(1) The notification shall be submitted on forms specified by a district and shall contain information demonstrating the ability to comply with all provisions of this rule. This information shall include, but is not limited to, enterprise operator name and business address, licensed auto dismantler name and business address, anticipated initiation date and duration of vehicle retirement operation, time of vehicle intake, a written statement from the auto dismantler under penalty of perjury certifying compliance with local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations, and any other information requested in applicable district rules;

(2) The local district shall have the right to refuse permission to generate emission reduction credits through voluntary accelerated vehicle retirement to any requesting operator deemed by the local district as not meeting the requirements of these regulations or any applicable district rules;

(3) The district may assess an application fee to cover the costs of this approval process;

(c) The enterprise operator shall be required to contract with an ARB-approved inspection entity, to provide inspector services to perform the vehicle functional and equipment eligibility inspection specified in section §2603(b) on-site at VAVR enterprise locations, if the VAVR enterprise operator is unable to or chooses not to perform this function;

(d) For a vehicle purchased as part of a VAVR enterprise and whose accelerated retirement creates emission reductions to be used as the basis for generating emission reduction credits, the enterprise operator shall:

(1) verify that the vehicle meets the vehicle registration eligibility requirements of §2603(a)(2); and

(2) obtain from the vehicle owner the certificate of functional and equipment eligibility issued per §2603(b);

(e) At time of final sale of a vehicle to the VAVR enterprise, the enterprise operator shall verify that the person delivering the vehicle for sale is the legal owner or an authorized representative of the legal owner, properly empowered to complete the sale;

(f) A vehicle purchased as part of a VAVR enterprise and whose accelerated retirement creates emission reductions that are to be used as the basis for generating emission reduction credits, shall be permanently destroyed by the enterprise operator, or the enterprise operator's duly contracted dismantler, within ninety (90) days of the date it is sold to the enterprise operator, and may not be resold to the public or put into operation in any way, except such a vehicle may be briefly operated for purposes related to the disposal of the vehicle as part of normal disposal procedures;

(1) For purposes of this regulation, the vehicle will be considered destroyed when it has been crushed or shredded or otherwise rendered permanently and irreversibly incapable of functioning as originally intended, and when all appropriate records maintained by the Department of Motor Vehicles have been updated to reflect that the vehicle has been acquired by a licensed auto dismantler for the purposes of dismantling.

(2) No parts may be removed, for sale or reuse, from any vehicle retired for the purpose of generating emission reduction credits. The only allowable use for any retired vehicle is as a source of scrap metal and other scrap material;

(A) An enterprise operator may separate ferrous and non-ferrous metals prior to vehicle retirement to sell as a source of scrap metal only;

(B) An enterprise operator may sell tires and batteries to an intermediary tire/battery recycler only. All facilities generating or receiving waste tires must use the services of a registered tire hauler/recycler. Battery recyclers must be registered and licensed to handle batteries;

(3) All vehicles from which emission reduction credits are to be generated must be confined in a holding area separate from other vehicles procured by the enterprise until they are permanently destroyed;

## **Board Administration and Regulatory Coordination Unit**

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(4) All activities associated with retiring vehicles, including but not limited to the disposal of vehicle fluids and vehicle components, shall comply with local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations;

(g) The enterprise operator shall provide to the district, by the 5th day of each month, a list of all vehicles accepted for participation into a VAVR enterprise that are within sixty-one to ninety days (61-90) of their next required Smog Check inspection for the purpose of district compliance with §2602(f). Information to be provided for each vehicle includes, but is not limited to, vehicle identification number (VIN); vehicle license plate number; and vehicle make, model, and model year;

NOTE: Authority cited: Sections 39600, 39601 and 44101, Health and Safety Code. Reference: Sections 39002, 39003, 43000, 43013, 44100, 44101, 44102, 44103, 44105, 44107 and 44120, Health and Safety Code.

##### **REFERENCE**